

SECURITY AGREEMENT NOV 15 1985 3 25 PM

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, entered into this 17th day of OCTOBER, 1985, by and between
FARMERS & MERCHANTS NATIONAL BANK OF WEST POINT, NEBR. (hereinafter designated "Bank") and
EQUIPMENT ENTERPRISE, INC., whose residence is P.O. Box 188
(Street Address)
LEWISTOWN, MISSOURI
(City) (County) (State)

(hereinafter designated "Borrower", whether one or more), WITNESSETH:

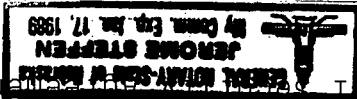
Bank will from time to time hereafter lend Borrower, on the security of the Collateral hereinafter designated which is accept-
able to Bank, such amounts as Bank may determine, on such terms as Bank may specify.

Borrower does hereby grant to Bank a security interest in and to the following goods (hereinafter collectively designated
"Collateral"):

Description of Collateral

Location of Collateral
(County and State)

Twenty-six railcars as described on EXHIBIT A.



I, certify that this is a true copy of the Original and correct agreement.

By

NOTARY PUBLIC

Barbara J. Taylor

Sworn to before me and subscribed in my
presence this 6th day of November, 1985.

Secretary

By

Title

James H. Taylor

(Borrower)

EQUIPMENT ENTERPRISE, INC.

ATTEST:

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

This Agreement shall inure to the benefit of and shall be binding upon the parties, and upon their respective heirs, executors,
administrators, successors and assigns. If there be more than one Borrower, the covenants, warranties and agreements of Borrower
herein contained shall be joint and several.

the Borrower covenants, warrants and agrees that:

- (1) The Collateral is owned by Borrower and is not subject to any security interest (except that created hereby) or to any liens or encumbrances; and Borrower has good and lawful authority to grant Bank a security interest therein, and will defend the same against the claims and demands of all persons.
- (2) Borrower will not sell, lease, mortgage, pledge or encumber the Collateral, permit its identity to be lost, permit it to be levied upon or attached under any legal process, create any security interest therein (except that created hereby), or otherwise dispose of the same or any of Borrower's rights therein.
- (3) Borrower will maintain the Collateral in good condition, will pay and discharge all taxes, levies and other impositions levied thereon; and upon request by Bank will keep said Collateral insured in the form and amount acceptable to Bank; if Borrower fails to do so, Bank may pay the costs of such repairs, taxes, levies and impositions and secure such insurance, all for Borrower's account, adding the cost and expense thereof to the indebtedness secured by this Agreement.
- (4) ~~Borrower will not remove the Collateral from the county where it is now or hereafter located without the prior written consent of Bank, will give to Bank a complete description of the location to which the Collateral is moved, and will permit Bank to inspect the Collateral at any time.~~
- (5) Borrower will promptly notify Bank in writing of any change in the location of any place of business or residence.
- (6) In the event of the assignment hereof by Bank, Borrower hereby agrees not to assert against any assignee any claim or defense which Borrower may have against Bank.
- (7) This Agreement will be for the benefit of Bank, and of all purchasers, holders, and assignees of any of the indebtedness secured hereby.
- (8) Borrower will give Bank notice of death, loss, theft, or destruction of any of the Collateral within ten days after the occurrence of such event.
- (9) ~~If any of the Collateral is livestock, such livestock will be properly fed, watered and cared for.~~
- (10) All risk of loss, damage to or destruction of the Collateral is upon the Borrower.

It is agreed that each of the following events or occurrences shall be an "Event of Default" under this Agreement: (1) failure of Borrower to pay any indebtedness or to perform any obligation secured by this Agreement; (2) breach by Borrower of any of the covenants, conditions, warranties or agreements contained herein; (3) any assignment by Borrower for the benefit of creditors, or the commencement of any proceedings in bankruptcy, receivership, reorganization or insolvency by or against Borrower; (4) if for any reason Bank deems itself insecure.

Upon the occurrence of any Event of Default, all indebtedness secured by this Agreement shall become immediately due and payable in full without demand or notice, and Bank may proceed to exercise one or more of the rights and remedies accorded by the Uniform Commercial Code or otherwise by law. Upon default Bank and its representatives shall have the right to enter upon any premises of Borrower without legal process and to remove all or any of the Collateral from said premises and to take possession of said Collateral, and Borrower hereby waives all claims in connection therewith or arising therefrom and releases Bank from the same; Borrower agrees upon request by Bank to assemble all Collateral and to make it available to Bank at a place or places designated by Bank.

The proceeds derived from any sale or sales held upon any Event of Default hereunder shall be applied first, to the cost, charges and expenses incurred in obtaining possession, dismantling, transporting, storing, keeping and caring for the Collateral (including costs of advertising the sale or sales thereof and reasonable attorney's fees); second, to the payment of all indebtedness and obligations, including interest, secured hereby; third, the excess if any shall then be paid to Borrower. Bank or any person conducting such sale on Bank's behalf shall have and is hereby given power to make bill or bills of sale for said Collateral to the purchasers thereof, which shall convey all right, title and interest of Borrower therein, and to receive and receipt for the proceeds from said sale or sales. Should the proceeds from the sale or sales of the Collateral fail to pay all indebtedness and obligations, including interest, secured hereby, together with the fees, expenses and costs as aforesaid, then any such deficiency shall be immediately due, owing, and payable by Borrower to Bank.

The captions contained in or affixed to this Agreement shall in no manner limit the generality of any provision of this Agreement.

Either Bank or Borrower may terminate this Agreement at any time upon written notice to the other of such termination; provided, however, that such termination shall in no way affect, and this Agreement shall remain fully operative as to, any transactions entered into or rights granted or indebtedness or obligations incurred prior to the receipt of such notice by the party to whom given. Prior to such termination, this Agreement shall be a continuing agreement in every respect.

It is expressly agreed that any waiver by Bank of any provision of this Agreement or of any breach of this Agreement by Borrower shall not operate as a waiver of any future breach by Borrower, nor preclude Bank from thereafter enforcing any provision previously waived.

EQUIPMENT ENTERPRISE, INC.

BOX 188
LEWISTOWN, MISSOURI

PHONE
314-497-2296

63452

EXHIBIT A TO SECURITY AGREEMENT DATED THE 17th OF OCTOBER, 1985.

NOTE * ALL CARS BUILT BY ACF IND.

DATE BUILT	LOT #	CAR NUMBER	CLASSIFICATION	CAPACITY
5/69	18-14160	EENX 101	ICC112J340W	33,665 gallons
"	"	EENX 201	"	33,659 "
"	"	RAPX 301	"	33,683 "
3/74	18-14243	RAPX 401	DOT112J400W	33,633 "
"	"	RAPX 402	"	33,667 "
"	"	RAPX 403	"	33,674 "
"	"	RAPX 404	"	33,693 "
"	"	EENX 405	"	33,645 "
"	"	RAPX 406	"	33,689 "
"	"	RAPX 407	"	33,660 "
"	"	RAPX 408	"	33,679 "
"	"	RAPX 409	"	33,656 "
"	"	RAPX 410	"	33,644 "
11/65	18-14068	EENX 501	ICC112J340W	33,326 "
"	"	EENX 503	"	33,327 "
"	"	EENX 504	"	33,412 "
"	"	RAPX 505	"	33,304 "
"	"	EENX 506	"	33,288 "
"	"	RAPX 507	"	33,296 "
"	"	RAPX 508	"	33,297 "
"	"	RAPX 509	"	33,332 "
"	"	RAXP 510	"	33,295 "
10/68	18-14147	RAPX 511	ICC112J340W	33,696 "
10/68	18-14147	RAPX 801	ICC112J340W	33,679 "
3/71	18-14209	RAPX 802	DOT112J340W	33,696 "
"	"	EENX 803	"	33,662 "

EQUIPMENT ENTERPRISE, INC.

By: _____

Dean Phillips